

FISCAL UPDATE News Article

Fiscal Services Division
September 20, 2016



COLLEGE STUDENT AID COMMISSION MEETING

Meeting. The College Student Aid Commission met on Friday, September 16, 2016, in Des Moines. In addition to approving changes to administrative rules and hearing routine reports, the Commission discussed and took action on the following items. The Commission also approved a budget request for FY 2018 that is detailed in a separate Fiscal Update article.

ITT Technical Institutes (ITT). ITT originally applied for renewal of its lowa registration in order to continue providing face-to-face instruction to students at its campus in Clive, lowa, and to continue providing instruction in its online programs to currently enrolled lowans. In response to recent developments regarding ITT, Commission staff recommended approving renewal of the registration for a two-year term, retroactive to May 19, 2016, to allow time to identify transfer or teach-out options at other institutions.

Recent Developments Involving ITT. ITT's accrediting agency, the Accrediting Council for Independent Colleges and Schools (ACICS), has been undergoing a review of its recognition by the federal Department of Education. The first two steps in the review produced a recommendation that the Department withdraw its recognition of the agency; a final decision is expected later in September. In the meantime, on April 20, 2016, ACICS issued a show-cause directive to ITT, requiring the Institute to submit information related to concerns over its administrative capability, organizational integrity, financial viability, and ability to serve students in compliance with ACICS standards. On August 25, 2016, the federal Department of Education announced additional conditions on ITT's participation in federal student aid programs.

On September 6, 2016, ITT announced that it was discontinuing any campus-based instruction and will cease offering online instruction after the current online program term ends on October 16, 2016. With ITT's intent to cease all operations, ACICS has confirmed that the Institute will remain accredited through October 16.

Impact on lowa ITT Students. As of September 6, there were 23 students enrolled at the Clive campus who will be unable to complete their programs. On October 16, there will be 14 lowa students enrolled in the online program who will be unable to complete their programs. ITT is cooperating with Commission staff to develop transfer or teach-out agreements to provide contingencies for these 37 students at other institutions.

Commission Action on ITT Registration. The Commission approved renewal of ITT's registration for one year or until ITT ceases operations, whichever is earlier.

Proposed Legislation for 2017 Session. The Commission approved the following four proposals for revisions to statute that will be forwarded to the Governor's Office as agency bills for the upcoming legislative session:

- Iowa Code section <u>261.2</u> Duties of the Commission. Add a paragraph to authorize loan write-off.
- lowa Code sections <u>261.110</u> and <u>261.112</u> Teach lowa Scholar Program and Teacher Shortage Loan Forgiveness Program. Add language to ensure that teachers eligible to participate in both programs receive awards from one or the other, not both.
- Iowa Code chapter <u>261B</u> Registration of Postsecondary Schools. Mostly cleanup revisions to
 ensure that the process is administered as intended by the General Assembly.
- Iowa Code sections <u>261.114</u>, <u>261.116</u>, and <u>261.239</u> Rural Iowa Advanced Registered Nurse Practitioner and Physician Assistance Loan Repayment Program, Registered Nurse and Nurse

Educator Loan Program, and Iowa Needs Nurses Now Initiative. Revisions to combine the first two programs and eliminate the third, which has never been funded.

More Information. Detailed information regarding the items on the Commission's agenda can be found here: www.iowacollegeaid.gov/sites/default/files/September%202016%20Commission%20Book.pdf

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